2003

Supplemental Financial and Product Information

On July 2, 1998, NOVA Chemicals Corporation (NOVA Chemicals) was launched as an independent, publicly traded, commodity chemical company immediately following the merger of NOVA Corporation and TransCanada PipeLines Limited. All periods prior to July 2, 1998, presented for comparative purposes, represent the results of NOVA Chemicals Ltd., a former subsidiary, which accounted for approximately 99% of the ongoing assets and revenues of NOVA Chemicals. In the third quarter of 1998, NOVA Chemicals began reporting its financial results in U.S. dollars while continuing to follow Canadian generally accepted accounting principles (GAAP). For all periods prior to July 2, 1998, Canadian dollar amounts have been restated in U.S. dollars using an exchange rate of $1.00 Cdn. = U.S. $0.68, except for reported fair market values which were converted at the rates in effect on the relevant dates. Actual exchange rates for the 10-year period ended December 31, 2003 have ranged from a high of $0.78 to a low of $0.62. On December 31, 1999, NOVA Chemicals changed its measurement or functional currency to the U.S. dollar from the Canadian dollar. This change will have little impact on our financial statements on an ongoing basis, but resulted in a significant impact on accounting for our hedged position. All dollar amounts are expressed in U.S. dollars except where otherwise indicated. Throughout this document, references to “peer average” mean The Dow Chemical Company, Eastman Chemical Company, Lyondell Chemical Company and Millennium Chemicals Inc.

NOVA Chemicals®

Financial Information

AFTER-TAX RETURN ON CAPITAL EMPLOYED [1,2]

%	03	02	01	00	99	98	97	96	95	94
Olefins/Polyolefins	**2.5**	1.6	1.6	27.6	20.8	9.5	18.1	16.5	26.1	12.5
Styrenics	**(7.1)**	(5.5)	(10.6)	4.2	0.5	(5.4)	(5.5)	2.6	24.7	5.5
NOVA Chemicals – operated facilities	**(1.8)**	(1.9)	(2.4)	12.1	9.1	3.5	10.1	12.0	24.3	10.5
Peer Average	**0.8**	3.3	1.6	12.6	4.9	6.3	8.9	10.5	15.1	8.0

1 Equals net income (loss) plus after-tax interest expense divided by average capital employed. Years prior to 1999 based on year-end capital employed.
2 Excludes Methanex Corporation and Dynegy Inc.

OPERATING MARGIN [1,2]

%	03	02	01	00	99	98	97	96	95	94
Olefins/Polyolefins	**3.6**	3.5	2.8	19.7	18.3	9.8	15.9	16.1	26.8	14.9
Styrenics	**(9.6)**	(9.0)	(17.2)	5.0	1.4	(6.8)	(8.6)	2.9	21.3	4.3
NOVA Chemicals – operated facilities	**(1.9)**	(2.3)	(6.1)	10.6	10.9	5.0	10.0	13.1	24.6	11.7
Peer Average	**(0.4)**	3.0	1.1	11.0	10.7	9.3	14.8	15.3	20.6	13.7

1 Operating margin is calculated as operating income (loss) divided by sales.
2 Excludes Methanex and Dynegy.

WORKING CAPITAL AS A PERCENTAGE OF SALES [1]

%	03	02	01	00	99	98	97	96	95	94
Olefins/Polyolefins	**6.3**	3.2	8.7	10.5	13.3	11.4	10.4	14.7	8.4	10.5
Styrenics	**12.2**	10.9	13.9	19.5	14.0	12.0	19.7	24.7	7.0	14.6
NOVA Chemicals – operated facilities	**9.0**	6.6	11.2	15.2	14.2	12.0	11.1	11.0	2.7	9.5
Peer Average	**8.4**	7.8	11.4	13.2	21.5	24.0	25.7	18.1	19.9	18.3

1 Excludes Methanex and Dynegy.

OTHER RATIOS

DECEMBER 31 AND FOR THE YEAR ENDED	03	02	01	00	99	98	97	96	95	94
Cash flow cycle time (days) [1]	**28**	20	39	60	59	n/a	n/a	n/a	n/a	n/a
Percentage of debt to total assets [2]	**24.9 %**	29.2 %	34.6 %	29.9 %	33.5 %	36.2 %	27.0 %	27.9 %	22.0 %	13.2 %
Return (loss) on average common equity [3]	**(9.8)%**	(14.5)%	(13.2)%	18.1 %	7.4 %	1.3 %	12.2 %	14.1 %	37.4 %	34.7 %
Interest coverage (deficiency) (times) [4]	**0.9 x**	(0.1) x	(1.7) x	4.8 x	5.4 x	1.3 x	4.3 x	6.3 x	14.9 x	9.8 x
Employees at year-end [5]	**4,300**	4,300	4,600	4,700	4,700	4,200	3,400	3,400	2,700	2,800

1 Cash flow cycle time in days of sales is calculated as working capital from operations divided by average daily sales. Not calculated prior to 1999.
2 Debt includes long-term debt plus current portion of long-term debt. Excludes intercompany debt.
3 Net income (loss) to common shareholders before unusual items divided by average common equity. 1998 average common equity excludes the effects of the Huntsman Corporation transaction. 1994 to 1997 average common equity is net of advances to parent and affiliates.
4 Years 1998 to 2003 equal to net income (loss) before interest expense and income taxes divided by annual interest requirements. Years 1997 and prior used interest expense, instead of annual interest requirements, as the denominator.
5 Excludes employees of equity-held investments. The year 1999 includes the addition of Royal Dutch/Shell Group employees; 1998 includes the addition of Huntsman employees.

Financial Information

FINANCIAL HIGHLIGHTS

MILLIONS OF DOLLARS	03	02	01	00	99	98	97	96	95	94
Revenue										
Olefins/Polyolefins	$ 2,559	1,930	2,014	2,228	1,671	1,614	1,806	1,753	1,693	1,510
Styrenics	1,579	1,305	1,314	1,866	1,273	542	564	399	469	377
Methanol [1]	–	–	–	–	–	–	–	–	–	12
Intersegment eliminations [2]	(189)	(144)	(134)	(178)	(136)	(81)	(85)	(83)	(85)	(64)
	$ 3,949	3,091	3,194	3,916	2,808	2,075	2,285	2,069	2,077	1,835
EBITDA [3]										
Olefins/Polyolefins	$ 279	233	189	525	385	280	416	409	575	338
Styrenics	(41)	(18)	(128)	195	93	(8)	(16)	35	116	29
Methanol [1]	–	–	–	–	–	–	–	–	–	1
Corporate and other [4]	(15)	(20)	(26)	(118)	(18)	(18)	(11)	(23)	(44)	(25)
	$ 223	195	35	602	460	254	389	421	647	343
Depreciation and amortization										
Olefins/Polyolefins	$ 187	166	132	86	80	122	128	127	121	114
Styrenics	111	100	98	102	75	29	32	23	16	13
	$ 298	266	230	188	155	151	160	150	137	127
Operating income (loss) – EBIT [5]										
Olefins/Polyolefins	$ 92	67	57	439	305	158	288	282	454	224
Styrenics	(152)	(118)	(226)	93	18	(37)	(48)	12	100	16
Methanol [1]	–	–	–	–	–	–	–	–	–	1
Corporate and other [4]	(15)	(20)	(26)	(118)	(18)	(18)	(11)	(23)	(44)	(25)
	$ (75)	(71)	(195)	414	305	103	229	271	510	216
Net income (loss)										
Olefins/Polyolefins	$ 14	(5)	(2)	258	167	61	145	163	n/a	n/a
Styrenics	(130)	(102)	(181)	42	(12)	(35)	(38)	(2)	n/a	n/a
Corporate and other [4]	(10)	(15)	44	(42)	(15)	(9)	n/a	n/a	n/a	n/a
Equity in earnings (losses) of Methanex [6]	37	5	11	23	(48)	(25)	39	(10)	39	91
Equity in earnings of Dynegy [7]	–	–	–	–	37	26	(19)	28	10	9
Unusual items and other [8]	117	36	–	21	124	–	(16)	(26)	n/a	n/a
Net income (loss)	$ 28	(81)	(128)	302	253	18	111	153	354	285

1 In January 1994, NOVA Chemicals exchanged its methanol facilities for shares in Methanex.
2 Reflects the sale of ethylene and benzene from Olefins/Polyolefins to Styrenics.
3 Earnings before interest, taxes, depreciation and amortization, equity in earnings (losses) of affiliates, other gains (losses) and general and corporate.
4 Includes re-engineering, restructuring and computer system development costs.
5 Earnings before interest and taxes, equity in earnings (losses) of affiliates and unusual items.
6 On an after-tax basis after 1999. Includes asset writedowns and restructuring charges of $27 million in 2002, $3 million in 2001, $19 million in 1999 and $22 million in 1996.
7 Includes asset writedown of $39 million in 1997.
8 See Page 4 for listing of unusual items in years 2001-2003.

Financial Information

STATEMENT OF INCOME (LOSS)

YEAR ENDED DECEMBER 31 MILLIONS OF DOLLARS	03	02	01	00	99	98	97	96	95	94
Revenue	$ 3,949	3,091	3,194	3,916	2,808	2,075	2,285	2,069	2,077	1,835
Operating costs and expenses										
Operating expenses	3,711	2,876	3,132	3,196	2,330	1,803	1,896	1,648	1,430	1,492
Restructuring	15	20	27	118	18	18	–	–	–	–
Depreciation	298	266	230	188	155	151	160	150	137	127
	4,024	3,162	3,389	3,502	2,503	1,972	2,056	1,798	1,567	1,619
Operating income (loss)	(75)	(71)	(195)	414	305	103	229	271	510	216
Other income (deductions)										
Interest expense	(89)	(87)	(88)	(45)	(61)	(46)	(56)	(45)	(37)	(41)
Equity in earnings (losses) of affiliates	39	5	14	32	(11)	1	57	40	50	99
Other gains (losses)	92	59	58	32	251	–	(39)	(22)	(6)	83
General and corporate	–	–	–	–	–	2	(5)	(5)	(2)	4
	42	(23)	(16)	19	179	(43)	(43)	(32)	5	145
Income (loss) before income taxes	(33)	(94)	(211)	433	484	60	186	239	515	361
Income tax recovery (expense)	61	13	83	(131)	(231)	(42)	(75)	(86)	(161)	(76)
Net income (loss)	$ 28	(81)	(128)	302	253	18	111	153	354	285
Add back (deduct) unusual items[1] and other losses (gains) after-tax	(117)	(36)	–	(21)	(124)	–	41	22	(7)	(82)
Net income (loss) before unusual items and other gains and losses	$ (89)	(117)	(128)	281	129	18	152	175	347	203
Earnings (loss) per share before unusual items										
Basic	$ (1.36)	(1.72)	(1.88)	2.76	1.00	0.17	1.65	1.90	3.77	2.21
Diluted	$ (1.36)	(1.72)	(1.88)	2.49	0.98	0.17	1.65	1.90	3.77	2.21
Earnings (loss) per share after unusual items										
Basic	$ (0.02)	(1.30)	(1.88)	3.00	2.35	0.17	1.21	1.66	3.85	3.10
Diluted	$ (0.02)	(1.30)	(1.88)	2.84	2.26	0.17	1.21	1.66	3.85	3.10
Weighted-average common shares outstanding (millions)[2]	87	86	85	89	93	92	92	92	92	92

1 Effective March 28, 2003, new SEC rules in the U.S. came into effect with respect to non-GAAP financial measures and accordingly, certain information in prior years has been restated. See page 4 for listing of unusual items in years 2001 – 2003.

2 Years 1994 to 1997, prior to publicly traded shares, assume 92 million weighted-average common shares outstanding.

BALANCE SHEET

DECEMBER 31 MILLIONS OF DOLLARS	03	02	01	00[2]	99	98[1]	97	96	95	94
Assets										
Current assets										
Cash and cash equivalents	$ 212	14	10	27	59	37	–	164	102	15
Receivables	316	249	362	451	226	348	301	228	192	251
Inventories	392	321	279	533	380	280	207	269	160	140
Sale proceeds receivable	–	–	–	–	542	–	–	–	–	–
Advances to parents and affiliates	–	–	–	–	–	–	175	73	33	107
	920	584	651	1,011	1,207	665	683	734	487	513
Investments and other assets	157	537	549	447	589	733	780	746	712	545
Plant, property and equipment	5,842	4,934	4,936	4,951	4,312	3,507	2,435	2,223	2,030	2,068
Less accumulated depreciation	(2,506)	(1,901)	(1,777)	(1,655)	(1,549)	(1,325)	(1,211)	(1,068)	(913)	(836)
Net plant, property and equipment	3,336	3,033	3,159	3,296	2,763	2,182	1,224	1,155	1,117	1,232
	$ 4,413	4,154	4,359	4,754	4,559	3,580	2,687	2,635	2,316	2,290
Liabilities and shareholders' equity										
Current liabilities										
Bank loans	$ –	3	14	28	–	–	57	–	8	217
Accounts payable and accrued liabilities	587	562	437	617	563	473	253	269	298	216
Long-term debt installments due within one year	–	1	186	17	385	17	36	37	35	81
	587	566	637	662	948	490	346	306	341	514
Long-term debt	1,101	1,211	1,322	1,406	1,140	1,280	690	698	474	221
Long-term debt to affiliates	–	–	–	–	–	–	66	66	66	514
Deferred credits	835	816	786	760	507	298	237	235	208	188
Shareholders' equity										
Preferred securities	383	383	383	383	383	210	–	–	–	–
Retractable preferred shares	198	198	198	198	198	198	–	–	–	–
Common shares	493	484	472	460	497	492	491	491	491	428
Contributed surplus	–	–	–	–	–	–	14	14	14	14
Cumulative translation adjustment	232	(109)	(179)	(39)	72	(15)	39	23	32	74
Reinvested earnings	584	605	740	924	814	627	804	802	690	337
	1,890	1,561	1,614	1,926	1,964	1,512	1,348	1,330	1,227	853
	$ 4,413	4,154	4,359	4,754	4,559	3,580	2,687	2,635	2,316	2,290

1 NOVA Chemicals acquired the majority of Huntsman's styrenics business on December 31, 1998.

2 NOVA Chemicals acquired Shell's European polystyrene operations on January 31, 2000.

Financial Information

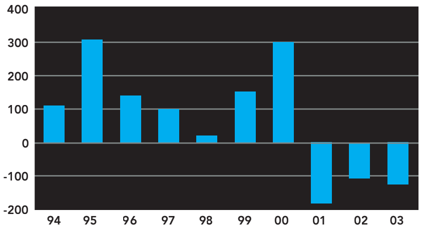
STATEMENT OF CASH FLOW

YEAR ENDED DECEMBER 31 MILLIONS OF DOLLARS	03	02	01	00	99	98	97	96	95	94
Operating activities										
Net income (loss)	$ 28	(81)	(128)	302	253	18	111	153	354	285
Depreciation	298	266	230	188	155	151	160	150	137	127
Future income taxes (recovery)	(78)	8	(4)	93	94	2	1	(4)	31	44
Equity in (earnings) losses of affiliates	(39)	(5)	(14)	(32)	11	(1)	(57)	(40)	(50)	(99)
Dividends received	14	4	–	–	–	–	–	–	–	–
Other (gains) and losses (net of current tax)	(92)	(39)	–	60	(173)	–	39	22	6	(101)
Asset writedowns and other	9	–	10	–	2	–	–	–	–	–
Funds from operations	140	153	94	611	342	170	254	281	478	256
Changes in non-cash working capital	(125)	206	184	(260)	53	28	(27)	(158)	115	(37)
Cash from operations	15	359	278	351	395	198	227	123	593	219
Investing activities										
Proceeds on asset sales	564	82	–	–	–	–	–	–	–	–
Shell acquisition	–	–	–	(212)	–	–	–	–	–	–
Huntsman acquisition	–	–	–	–	–	(783)	–	–	–	–
Proceeds on sale of investments [1]	–	–	–	741	–	–	11	–	46	180
Plant, property and equipment additions	(130)	(71)	(168)	(440)	(620)	(367)	(223)	(175)	(93)	(139)
Assets exchanged for Methanex common shares	–	–	–	–	–	–	–	–	–	71
Investment in Methanex	–	–	–	–	–	–	–	–	(5)	(152)
Turnaround costs, long-term investments and other assets	(57)	(18)	(156)	(8)	(12)	(6)	(7)	(20)	(133)	(176)
Changes in non-cash working capital	7	–	(16)	(186)	17	–	18	–	–	–
	384	(7)	(340)	(105)	(615)	(1,156)	(201)	(195)	(185)	(216)
Financing activities										
Increase (decrease) in current bank loans	(3)	(11)	(14)	28	–	(57)	57	(8)	(209)	3
Proceeds on swap crystallizations	–	13	27	–	–	–	–	–	–	–
Huntsman acquisition debt financing	–	–	–	–	–	585	–	–	–	–
Long-term debt additions	–	–	302	170	272	10	–	257	325	–
Long-term debt repayments	(152)	(2)	(61)	(385)	(187)	(36)	(34)	(35)	(119)	(86)
(Decrease) increase in revolving debt	(2)	(294)	(159)	115	134	–	–	–	–	–
Preferred securities issued [2]	–	–	–	–	165	203	–	–	–	–
Retractable preferred shares issued	–	–	–	–	–	198	–	–	–	–
Preferred securities dividends and distributions	(29)	(31)	(33)	(36)	(36)	(2)	–	–	–	–
Changes in common shares	9	11	12	(146)	5	1	–	–	63	1
Common share dividends	(25)	(23)	(23)	(23)	(25)	(12)	(109)	(41)	–	–
Project advances	11	1	–	–	–	–	–	–	–	–
Intercompany and other [3]	–	–	–	–	–	24	(104)	(39)	(381)	74
Changes in non-cash working capital	(10)	(12)	(6)	(1)	(86)	81	–	–	–	–
	(201)	(348)	45	(278)	242	995	(190)	134	(321)	(8)
Increase (decrease) in cash and cash equivalents	198	4	(17)	(32)	22	37	(164)	62	87	(5)
Cash and cash equivalents, beginning of year	14	10	27	59	37	–	164	102	15	20
Cash and cash equivalents, end of year	$ 212	14	10	27	59	37	–	164	102	15

1 Proceeds in 2000 from the sale of Dynegy.
2 Net of underwriting commissions.
3 Prior to 1995, NOVA Chemicals Ltd.'s long-term funding requirements were primarily provided through its parent, NOVA Corporation.

Net Income from Ongoing Operations [1,2]

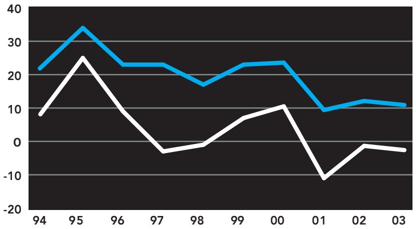
Millions of Dollars



1 Excluding non-recurring and unusual items (see page 4 for unusual items for years 2001 to 2003).
2 Before dividends and distributions on preferred securities.

Operating Cash Flow [1] as a Percentage of Sales

%

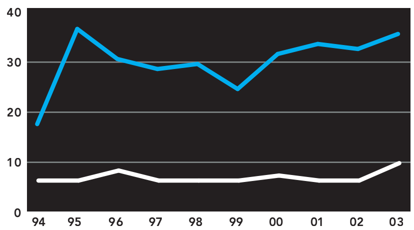


Olefins/Polyolefins
Styrenics

1 Operating cash flow is calculated as earnings before interest, taxes, depreciation and amortization.

Research and Development Expenditures[1]

Millions of Dollars



R & D activities
Technical support and existing product improvement activities

1 Year ended December 31

QUARTERLY RESULTS

	03				02				01			
MILLIONS OF DOLLARS	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue												
Olefins/Polyolefins	$ 637	628	603	691	413	477	489	551	610	540	456	408
Styrenics	386	375	414	404	276	339	357	333	397	335	313	269
Intersegment eliminations	(46)	(39)	(50)	(54)	(27)	(39)	(40)	(38)	(43)	(42)	(26)	(23)
Total	$ 977	964	967	1,041	662	777	806	846	964	833	743	654
Operating income (loss)												
Olefins/Polyolefins	$ 26	13	6	47	(6)	15	31	27	26	52	(7)	(14)
Styrenics	(12)	(49)	(47)	(44)	(47)	(10)	(16)	(45)	(30)	(63)	(74)	(59)
Corporate and other	–	–	–	–	–	–	–	–	–	–	1	–
Restructuring charge	–	–	(15)	–	–	(4)	(16)	–	–	–	–	(27)
Total	$ 14	(36)	(56)	3	(53)	1	(1)	(18)	(4)	(11)	(80)	(100)
Net income (loss)												
Olefins/Polyolefins	$ 4	(5)	(8)	23	(14)	(3)	8	4	10	29	(13)	(28)
Styrenics	(17)	(42)	(40)	(31)	(39)	(11)	(19)	(33)	(26)	(51)	(56)	(48)
Corporate and other	–	–	(10)	–	–	(3)	(12)	–	25	17	19	(17)
Methanex	25	12	–	–	(6)	3	18	(10)	15	8	(7)	(5)
Total net income (loss) before unusual items	$ 12	(35)	(58)	(8)	(59)	(14)	(5)	(39)	24	3	(57)	(98)
Unusual items (after-tax)												
Gain on sale of Methanex Corporation	$ –	61	–	–	–	–	–	–	–	–	–	–
Gain on sale of Cochin Pipeline	–	–	–	–	36	–	–	–	–	–	–	–
Gain on sale of Fort Saskatchewan Ethylene Storage Facility	–	64	–	–	–	–	–	–	–	–	–	–
Bayport charge	–	(8)	–	–	–	–	–	–	–	–	–	–
Total unusual items	$ –	117	–	–	36	–	–	–	–	–	–	–
Total net income (loss)	$ 12	82	(58)	(8)	(23)	(14)	(5)	(39)	24	3	(57)	(98)

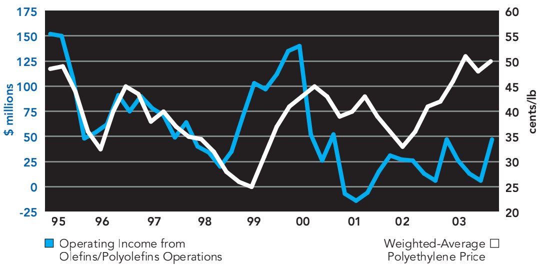
CURRENT CREDIT RATINGS [1, 2]

	Senior Unsecured Debt
Standard & Poor's Rating Services	BB+
Moody's Investors Service Inc.	Ba2
Dominion Bond Rating Services Limited	BBB (low)

1 Credit ratings are not recommendations to purchase, hold or sell securities and do not comment on market price or suitability for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future.

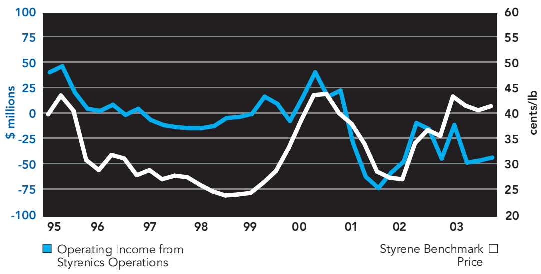
2 Moody's and Dominion Bond Rating Services have a stable outlook attached to NOVA Chemicals' rating and Standard & Poor's has a negative outlook attached, after lowering it from stable on January 13, 2004.

Quarterly Olefins/Polyolefins Operating Income Contribution vs. Polyethylene Price



Benchmark prices weighted according to NOVA Chemicals' product mix in North America. Source for benchmark prices: Townsend Tarnell, Inc.

Quarterly Styrenics Operating Income Contribution vs. Styrene Price



Source for benchmark prices: Chemical Markets Associates, Inc. Contract Market.

Financial Information

CAPITALIZATION

YEAR ENDED DECEMBER 31 MILLIONS OF DOLLARS	03	02	01	00	99	98	97	96	95	94
Current bank loans	$ –	3	14	28	–	–	57	–	8	217
Less cash and cash equivalents	(212)	(14)	(10)	(27)	(59)	(37)	–	(164)	(102)	(15)
Current bank loans (cash)	$ (212)	(11)	4	1	(59)	(37)	57	(164)	(94)	202
Long-term debt [1]										
E2 unsecured facility due June 2004	–	–	–	53	69	77	n/a	n/a	n/a	n/a
Huntsman acquisition facility due March 2000	–	–	–	–	220	390	n/a	n/a	n/a	n/a
6.5% notes due September 2000	–	–	–	–	150	150	n/a	n/a	n/a	n/a
7% notes due September 2005	100	100	100	100	100	100	n/a	n/a	n/a	n/a
7.875% debentures due September 2025 [2]	100	100	100	100	100	100	n/a	n/a	n/a	n/a
7% debentures due August 2026	–	150	150	150	150	150	n/a	n/a	n/a	n/a
7% medium-term notes due May 2006	300	300	300	–	–	–	n/a	n/a	n/a	n/a
7.25% debentures due August 2028 [3]	125	125	125	125	125	125	n/a	n/a	n/a	n/a
7.4% medium-term notes due April 2009	250	250	250	250	250	–	n/a	n/a	n/a	n/a
7.85% notes due August 2010 [4]	193	158	157	167	–	–	n/a	n/a	n/a	n/a
Unsecured loan facilities	33	29	326	478	361	205	n/a	n/a	n/a	n/a
Total long-term debt	1,101	1,212	1,508	1,423	1,525	1,297	726	735	509	302
Shareholders' equity										
9.04% preferred securities [5]	173	173	173	173	173	–	n/a	n/a	n/a	n/a
9.50% preferred securities [5]	210	210	210	210	210	210	n/a	n/a	n/a	n/a
	383	383	383	383	383	210	n/a	n/a	n/a	n/a
Common equity										
Retractable preferred shares [6]	198	198	198	198	198	198	n/a	n/a	n/a	n/a
Common share equity	1,309	980	1,033	1,345	1,383	1,104	n/a	n/a	n/a	n/a
Total common equity	1,507	1,178	1,231	1,543	1,581	1,302	n/a	n/a	n/a	n/a
Total shareholders' equity [7]	1,890	1,561	1,614	1,926	1,964	1,512	1,173	1,257	1,194	746
Total capitalization	$ 2,779	2,762	3,126	3,350	3,430	2,772	1,956	1,828	1,609	1,250
Net debt to total capitalization	32.0%	43.5%	48.4%	42.5%	42.7%	45.5%	40.0%	31.2%	25.8%	40.3%

1 Includes current portion. Amounts prior to 1998 exclude debt to affiliates.
2 Callable at the Corporation's option on, or after, September 15, 2005.
3 Redeemable at the holders' option on August 15, 2008.
4 $250 million Canadian; callable at the Corporation's option at any time.
5 On January 13, 2004, NOVA Chemicals announced the issuance of $400 million of debt maturing in 2012. On January 19, 2004, NOVA Chemicals announced the redemption of the 9.04% and 9.50% preferred securities will occur March 1, 2004.
6 Preferred shares of a subsidiary which are exchangeable into NOVA Chemicals common shares.
7 Amounts prior to 1998 are net of advances to parents and affiliates.

CAPITAL SPENDING [1,2]

YEAR ENDED DECEMBER 31 MILLIONS OF DOLLARS	03	02	01	00	99	98	97	96	95	94
Olefins/Polyolefins	$ 74	43	125	401	565	285	141	52	n/a	n/a
Styrenics	56	28	43	39	49	82	60	123	n/a	n/a
Less project advances	(11)	(1)	–	–	–	–	–	–	–	–
Total [3]	$ 119	70	168	440	614	367	201	175	93	119

1 Excluding acquisitions.
2 Capital spending not split out by business prior to 1996.
3 Net of project advances of $11 million in 2003 (2002 – $1 million).

EBITDA[1] NET OF PLANT, PROPERTY AND EQUIPMENT ADDITIONS

YEAR ENDED DECEMBER 31 MILLIONS OF DOLLARS	03	02	01	00	99	98	97	96	95	94
EBITDA	$ 223	195	35	602	460	254	389	421	647	343
Less: Plant, property and equipment additions [2]	$ 119	70	168	440	614	367	201	175	93	119
Net	$ 104	125	(133)	162	(154)	(113)	188	246	554	224

1 Earnings before interest, taxes, depreciation and amortization, equity in earnings (losses) of affiliates, other gains (losses), and general and corporate.
2 Net of project advances.

Financial Information

COST-OF-SERVICE DATA

MILLIONS OF DOLLARS	03	02	01	00	99	98	97	96	95	94
Revenue										
Cost-of-service [1,2,3]	$ 289	203	273	226	172	310	290	281	250	392
Non-cost-of-service	3,660	2,888	2,921	3,690	2,636	1,765	1,995	1,788	1,827	1,443
	$ 3,949	3,091	3,194	3,916	2,808	2,075	2,285	2,069	2,077	1,835
Operating income (loss)										
Cost-of-service [1,2,3]	$ 33	34	33	36	50	75	74	78	75	72
Non-cost-of-service	(108)	(105)	(228)	378	255	28	155	193	435	144
	$ (75)	(71)	(195)	414	305	103	229	271	510	216
Net income (loss)										
Cost-of-service [1,2,3]	$ 16	17	16	13	19	24	25	27	27	29
Non-cost-of-service	12	(98)	(144)	289	234	(6)	86	126	327	256
	$ 28	(81)	(128)	302	253	18	111	153	354	285

1 E1 ethylene production is sold on a non-cost-of-service basis. E2 ethylene production is split 58% to cost-of-service and 42% to non-cost-of-service sales. E2 ethylene production will continue to be sold on a cost-of-service basis until June 30, 2004. PE1 and PE2 purchase approximately 45% of E1, E2 and NOVA Chemicals' share of E3 ethylene production capacity.

2 Includes cost-of-service contribution from NOVA Chemicals' ethane storage and gathering system from 1993 to 1998. These cost-of-service arrangements expired at the end of 1998.

3 Includes Fort Saskatchewan Ethylene Storage Limited Partnership until date of sale.

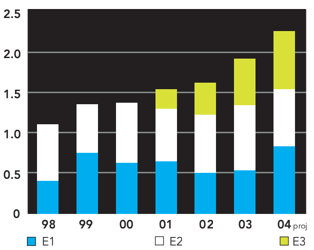
CO-PRODUCT SALES VOLUMES AND TOTAL REVENUE [1]

MILLIONS OF POUNDS MILLIONS OF DOLLARS	03	02	01	00	99	98
Volumes						
Propylene	946	879	680	764	780	806
No. 2 Fuel Oil	263	275	310	281	919	698
Vacuum Gas Oil	852	725	977	712	724	770
Residual Fuel Oil (No. 6)	483	322	517	378	428	513
Joffre C3s to C5s	86	139	395	297	248	276
C4s	730	696	454	534	509	547
C5s	166	–	134	180	228	206
Other	1,259	1,312	1,037	1,667	726	546
Total Volumes	4,785	4,348	4,504	4,813	4,562	4,362
Total Revenue	$ 688	513	545	660	381	337

1 Excludes intercompany sales, third-party sales only.

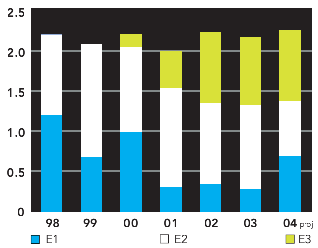
Internal Ethylene Consumption from Joffre

Billions of Pounds



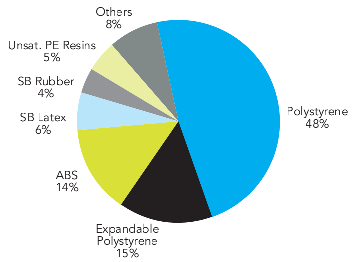
External Ethylene Sales from Joffre

Billions of Pounds



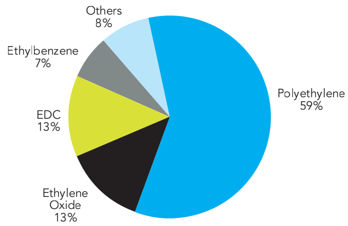
Styrene Derivatives

Source: Chemical Markets Associates, Inc.



Ethylene Derivatives

Source: Chemical Markets Associates, Inc.



Production and Product Information

PRODUCTION INFORMATION

MILLIONS OF POUNDS EXCEPT FOR METHANOL	03	02	01	00	99	98	97	96	95	94
Ethylene – Joffre	**4,117**	3,812	3,538	3,376	3,071	3,366	3,547	3,270	3,200	3,453
– Corunna	**1,434**	1,554	1,213	1,514	1,476	1,578	1,228	1,420	1,387	1,246
Total ethylene	**5,551**	5,366	4,751	4,890	4,547	4,944	4,775	4,690	4,587	4,699
Co-products [1]	**4,323**	4,448	4,162	4,783	4,059	3,992	3,604	3,684	3,581	3,558
Propylene	**907**	874	639	793	776	800	623	710	687	627
Polyethylene										
NOVAPOL										
LLDPE	**1,268**	1,217	1,101	1,317	1,236	1,103	1,143	1,159	996	1,108
LDPE	**262**	261	261	320	282	296	249	261	237	223
HDPE	**393**	342	362	472	458	465	440	412	377	388
SCLAIR LLDPE and HDPE [2]	**506**	585	602	624	597	566	532	547	515	260
Advanced SCLAIRTECH LLDPE & HDPE	**615**	413	164	–	–	–	–	–	–	–
Total polyethylene	**3,044**	2,818	2,490	2,733	2,573	2,430	2,364	2,379	2,125	1,979
Styrene [3]	**1,928**	2,012	1,874	2,426	2,376	915	954	927	907	914
Polystyrene [4,5]	**2,409**	2,493	2,510	3,057	2,900	1,210	1,216	849	674	675
Polypropylene [6]	**–**	–	–	–	–	–	–	–	63	141

1 Includes hydrogen, crude C_4 hydrocarbons, C_5 streams, DCPD, aromatics, C_9 resin oils and fuels.
2 The year 1994 includes six months of production from the Mooretown, Ontario facility acquired from DuPont Canada Inc.
3 Includes equity arrangements. Does not include tolling arrangements. The year 1999 includes styrene production from Bayport, Texas facility acquired from Huntsman.
4 The year 1996 includes three months of production from facilities acquired from ARCO Chemical Company.
5 Includes expandable polystyrene and other styrenic polymers.
6 The polypropylene operation was sold on June 30, 1995.

REGIONAL DEMAND GROWTH SUMMARY BY WORLD

CONSUMPTION IN MILLIONS OF POUNDS EXCEPT GROWTH PERCENTAGES	93-03[1]	03[2]	02	01	00	99	98	97	96	95	94	93
Polyethylene [3]												
North America	3.5%	**34,209**	34,621	32,671	33,877	33,506	30,762	29,614	29,226	26,987	26,812	24,248
South America	4.9%	**7,029**	6,866	7,029	6,865	6,714	6,322	6,014	5,428	5,225	4,685	4,376
Asia	8.3%	**44,894**	43,523	39,362	37,344	34,853	30,789	30,931	28,737	25,240	22,628	20,300
West Europe	3.6%	**27,477**	27,325	26,348	26,239	24,968	24,600	22,703	21,488	21,221	20,763	19,202
East Europe	6.8%	**2,695**	2,580	2,411	2,275	2,179	2,132	2,097	1,881	1,726	1,534	1,400
Africa and Mid-East	7.2%	**8,144**	7,901	7,736	7,416	6,804	6,359	6,210	5,527	4,870	4,491	4,076
Solid and Expandable Polystyrene [3]												
North America	2.2%	**7,564**	7,633	7,089	7,589	8,120	7,659	7,434	6,984	6,495	6,667	6,111
South America	4.1%	**1,122**	1,135	1,173	1,163	1,135	1,189	1,107	1,038	994	842	747
Asia	6.6%	**14,741**	13,876	13,011	12,693	12,092	10,592	10,715	10,022	9,266	8,747	7,762
West Europe	2.1%	**6,685**	7,134	6,756	6,726	6,628	6,427	6,122	5,900	5,948	5,880	5,445
East Europe	9.6%	**1,025**	999	964	925	840	758	650	538	514	465	410
Africa and Mid-East	7.3%	**1,164**	1,127	1,065	1,059	1,005	899	794	699	653	646	573

1 Ten-year compound annual demand growth rate.
2 Some 2003 data forecasted in cases where data was not yet available.
3 Source: Chemical Markets Associates, Inc.

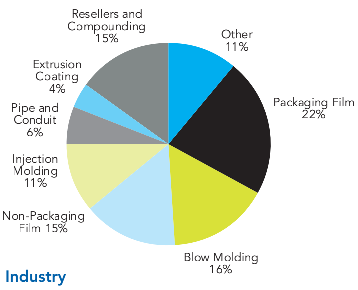
SHARE OF POLYETHYLENE AND POLYSTYRENE CAPACITY [1]

%	03	02	01	00	99	98	97	96	95	94
Polyethylene										
North America [2]	**9**	9	8	6	6	7	7	6	6	7
Solid and Expandable Polystyrene										
North America [2]	**25**	25	25	28	29	13	14	11	9	9
Europe	**14**	14	15	9	–	–	–	–	–	–

1 Source: Chemical Markets Associates, Inc., American Plastics Council and public information obtained by NOVA Chemicals.
2 U.S. and Canada.

Major U.S. and Canada Polyethylene Product Markets and Percentage of Total Sales by Volume

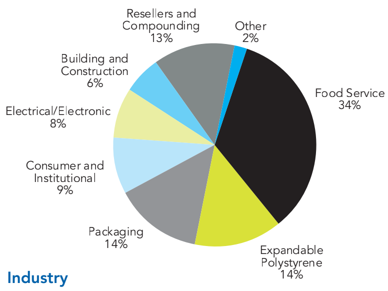
Source: American Plastics Council



Industry

Major U.S. and Canada Polystyrene Product Markets and Percentage of Total Sales by Volume

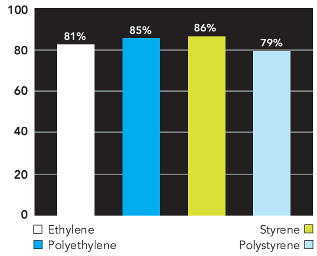
Source: American Plastics Council



Industry

2004 Average North American Industry Operating Rates (%)

Source: American Plastics Council, Chemical Markets Associates, Inc. and Statistics Canada



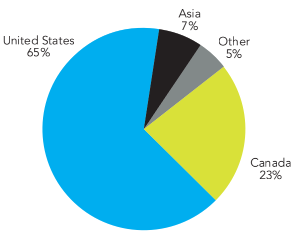
Production and Product Information

NOVA CHEMICALS FACILITY PROFILE

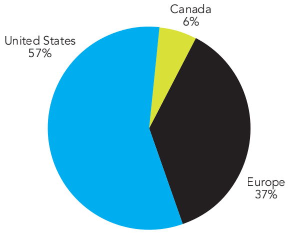
SITE	MAIN PRODUCTS	2003 RATED CAPACITY [1] (MILLIONS OF POUNDS PER YEAR)
Ethylene		
Joffre, Alberta	Ethylene (E1)	1,600
	Ethylene (E2)	1,800
	Ethylene (E3) [2]	1,550
	Co-products [3]	770 – 890
Corunna, Ontario	Ethylene	1,600
	Propylene	750 – 875 [4]
	Co-products	3,250 – 3,750 [5,6]
Total Ethylene Production Capacity		6,550
Polyethylene		
Joffre, Alberta	LLDPE (PE1)	1,310
	LLDPE and HDPE (PE2)	850
Corunna, Ontario	LLDPE [7]	275
	HDPE	395
Mooretown, Ontario	HDPE	505
	LDPE	325
Total Polyethylene Production Capacity		3,660
Styrene Monomer		
Bayport, Texas [8]	Styrene	1,250
Sarnia, Ontario	Styrene	950
Channelview, Texas [9]	Styrene	400
Total Styrene Production Capacity		2,600
Styrenic Polymers		
Solid Polystyrene and Other Styrenic Polymers		
North America		
Monaca, Pennsylvania [10]	Polystyrene and other styrenic polymers	125
Belpre, Ohio	Polystyrene	480
Chesapeake, Virginia	Polystyrene and HPS polymers	300
Decatur, Alabama	Polystyrene	425
Montréal, Québec	Polystyrene	130
Springfield, Massachusetts	Polystyrene and HPS polymers	330
Europe		
Breda, the Netherlands	Polystyrene and HPS polymers	210
Carrington, United Kingdom	Polystyrene	390
Total Solid Polystyrene and Other Styrenic Polymer Capacity		2,390
Expandable Polystyrene		
North America		
Monaca, Pennsylvania	EPS	285
Painesville, Ohio	EPS	85
Europe		
Berre, France	EPS	140
Breda, the Netherlands	EPS	200
Carrington, United Kingdom [11]	EPS	165
Ribécourt, France	EPS	200
Total Expandable Polystyrene Capacity		1,075
Total Styrenic Polymer Production Capacity		3,465

1 Capacity at December 31, 2003.
2 The annual design production capacity of E3 totals 2.8 billion pounds and is divided between Dow Chemical Canada Inc. and NOVA Chemicals. NOVA Chemicals' share of the production capacity is 55%, until July 2004 at which time it will reduce to 50%.
3 Co-products include crude C_4 hydrocarbons, C_5 streams, hydrogen and propylene.
4 Variable depending on feedstock.
5 Excludes propylene.
6 Variable depending on feedstock used and includes crude C_4 hydrocarbons, C_5 dienes, dicyclopentadiene (DCPD), aromatics, C_9 resin oils, hydrogen and fuels.
7 In October 2003, NOVA Chemicals announced the shutdown of A-Line at this facility planned for the second quarter of 2004, reducing LLDPE production by 275 million pounds per year. Approximately 80% of the most profitable sales from A-Line will move to other NOVA Chemicals facilities, including 30% of which will move to PE2.
8 In June 2003, the Bayport, Texas styrene monomer plant shut down as a result of an explosion and fire in the ethylbenzene manufacturing unit. Operations of the stryrene conversion unit resumed in August 2003. The ethylbenzene unit restarted in January 2004.
9 This represents the equity position in the Lyondell Chemical Company, Channelview, Texas facility and the long-term tolling arrangement associated with that interest. It does not include a shorter-term tolling arrangement for an additional 400 million pounds.
10 Includes a total of 125 million pounds of production capacity divided between DYLARK engineering resin, ARCEL moldable foam resin and polystyrene.
11 Effective October 2002, the Carrington, United Kingdom EPS plant was idled.

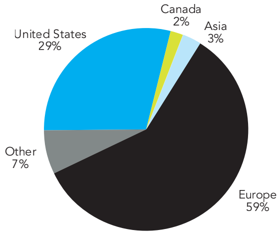
2004 Polyethylene Sales by Volume



2004 Solid and High Performance Polystyrene Sales by Volume



2004 Expandable Polystyrene Sales by Volume



Production and Product Information

CAPACITY RANKINGS

(Based on 2003 average annual capacities. Styrene capacities adjusted for fixed supply agreements between NOVA Chemicals, BASF Corporation and Lyondell Chemical Company)

NORTH AMERICA	(MMLBS)	GLOBAL	(MMLBS)
Ethylene			
The Dow Chemical Company	12,500	The Dow Chemical Company	21,600
Equistar Chemicals LP	11,300	ExxonMobil Chemical Company	18,500
ExxonMobil Chemical Company	10,000	Royal Dutch/ShellGroup	14,300
Chevron Phillips Chemical Company	7,800	Saudi Arabia Basic Industries Corp.	12,200
NOVA Chemicals	6,600	Equistar Chemicals LP	11,300
Shell Chemical Company	5,500	BP	10,200
Formosa Plastics Corporation	3,300	Chevron Phillips Chemical Company	8,300
BP	3,200	TotalFina ELF	7,200
PEMEX	3,000	SINOPEC	7,200
Westlake Group	2,800	Formosa Plastics Corporation	7,000
Others	10,600	Others [5]	129,400
Total	76,600	Total	247,200
Polyethylene			
The Dow Chemical Company	10,000	The Dow Chemical Company	17,700
ExxonMobil Chemical Company	8,600	ExxonMobil Chemical Company	15,400
Equistar Chemicals LP	5,600	Saudi Arabia Basic Industries Corp.	7,100
Chevron Phillips Chemical Company	5,100	Equistar Chemicals LP	5,600
NOVA Chemicals	3,700	Chevron Phillips Chemical Company	5,600
Formosa Plastics Corporation	2,000	SINOPEC	5,600
BP Solvay Polyethylene N.A.	2,000	Borealis NV	5,500
Westlake Group	1,400	BP Solvay Polyethylene	5,300
Eastman Chemical Company	1,100	Basell	4,600
PEMEX	1,100	Formosa Plastics Corporation	4,000
Others	3,000	Others [6]	76,500
Total	43,600	Total	152,900
Styrene			
NOVA Chemicals [1]	2,600	Shell Chemical Company	4,880
Chevron Phillips Chemical Company	2,100	The Dow Chemical Company	4,870
Lyondell Chemical Company [2]	2,000	BASF Corporation	4,480
Sterling Chemical Company	1,700	Lyondell Chemical Company [2]	3,140
The Dow Chemical Company	1,420	NOVA Chemicals [1]	2,600
BP	1,000	ATOFINA	2,580
ATOFINA [3]	990	Chevron Phillips Chemical Company	2,100
General Electric Plastics [3]	990	BP	1,770
Shell Chemical Company	990	Sterling Chemical Company	1,700
Westlake Group	450	Idemitsu Kosan CL	1,570
Others	720	Others	25,730
Total	14,960	Total	55,420
Polystyrene			
The Dow Chemical Company	1,750	The Dow Chemical Company	4,800
NOVA Chemicals [4]	1,715	BASF Corporation	3,570
ATOFINA	1,570	ATOFINA	3,140
BASF Corporation	1,150	NOVA Chemicals [4]	2,320
Chevron Phillips Chemical Company	770	Chi Mei Industrial Company, Ltd.	1,490
Resirene	330	Chevron Phillips Chemical Company	990
Dart Container Corporation	210	PS Japan	980
American Polymers	110	BP	930
Polidesa	110	Polimeri Europa – Eni-Chem SpA	790
Kama Corporation	100	Toyo Styrene	610
Others	195	Others	12,740
Total	8,010	Total	32,360
Expandable Polystyrene			
NOVA Chemicals [4]	370	BASF Corporation	1,216
Huntsman Corporation	225	NOVA Chemicals	1,075
Polioles, S.A.	220	He-Qiao	893
Styrochem International	214	Wuxi Xingda	794
Dart Container Corporation	198	Styrochem International	445
BASF Corporation	198	Taita Chemical Company, Ltd.	375
Polidesa	37	BP	364
Plastifab	18	Jiangyin Jianghua	364
Productos de Estireano, S.A. de C.V.	18	Dart Container Corporation	309
Polimeros de Mexico	11	Huntsman Corporation	254
Others	–	Others	5,040
Total	1,509	Total	11,129

Source: Chemical Markets Associates, Inc. and public information compiled by NOVA Chemicals.

1 Includes an equity position in the Lyondell Chemical Company, Channelview, Texas facility and does not include a shorter-term tolling arrangement for an additional 400 million pounds.
2 Excludes equity positions with NOVA Chemicals and BASF Corporation.
3 Operated under Cosmar 50/50 joint venture.
4 Excludes 70 million pounds of DYLARK resins.
5 NOVA Chemicals is ranked 12 for global ethylene production.
6 NOVA Chemicals is ranked 12 for global polyethylene production.

Production and Product Information

AVERAGE BENCHMARK PRICES [1]

	03	02	01	00	99	98	97	96	95	94
Ethylene ($/lb) [2]	**0.29**	0.22	0.26	0.30	0.22	0.18	0.25	0.22	0.25	0.20
Natural Gas –										
NYMEX ($/MMbtu) [3]	**5.44**	3.25	4.38	3.91	2.29	2.07	2.61	2.57	1.64	1.90
Alberta Spot Price ($/MMbtu) [4]	**4.74**	2.59	4.11	3.37	1.99	1.38	1.35	1.02	0.85	1.62
W.T.I. Oil ($/bbl) [5]	**31.04**	26.08	25.97	30.20	19.24	14.40	20.60	22.00	18.40	17.20
Purity Ethane ($/gallon) [6]	**0.40**	0.26	0.33	0.40	0.28	0.19	0.23	0.26	0.16	0.21
Propylene ($/lb) [7]	**0.21**	0.18	0.19	0.23	0.13	0.13	0.19	0.17	0.21	0.14
Polyethylene										
Linear low-butene liner ($/lb) [8]	**0.45**	0.34	0.35	0.40	0.33	0.27	0.37	0.36	0.42	0.33
Weighted-Average Polyethylene ($/lb) [9]	**0.49**	0.38	0.39	0.42	0.36	0.33	0.42	0.40	n/a	n/a
Styrene ($/lb) [7]	**0.41**	0.33	0.31	0.40	0.27	0.24	0.27	0.29	0.38	0.29
Benzene ($/gallon) [7]	**1.54**	1.19	1.02	1.38	0.87	0.80	1.00	0.97	0.95	1.07
Polystyrene										
Weighted-Average Polystyrene ($/lb) [10]	**0.56**	0.47	0.44	0.54	0.39	0.38	0.44	0.46	n/a	n/a

1 Average benchmark prices are not necessarily the prices realized by NOVA Chemicals or any other petrochemical company.
2 U.S. Gulf Coast – Net Transaction Price. Source: Chemical Markets Associates, Inc.
3 NYMEX Henry Hub 3-day average close.
4 Weighted-average spot price at AECO C monthly index via NOVA Gas Transmission Inventory Transfer. Source: Canadian Gas Price Reporter.
5 U.S. Gulf Coast price. Source: 1991-1994, the Purvin & Gertz LPG Yearbook, 1995 Edition, Volume 1. 1995-2002. Public information compiled by NOVA Chemicals.
6 U.S. Gulf Coast price. Source: Oil Price Information Service.
7 U.S. Gulf Coast price. Source: Chemical Markets Associates, Inc. (Chemical Grade).
8 U.S. Gulf Coast price. Source: Townsend Tarnell, Inc.
9 Benchmark prices weighted according to NOVA Chemicals' product mix in North America. Source for benchmark prices: TSPI.
10 Benchmark prices weighted according to NOVA Chemicals' polystyrene product mix in North America and Europe. Includes EPS, but excludes high performance styrenics, DYLARK and other styrenic polymers. Source: Chemical Markets Associates, Inc.

U.S./CANADIAN DOLLAR EXCHANGE RATES

	03	02	01	00	99	98	97	96	95	94
High	**.7789**	.6654	.6711	.6984	.6935	.7123	.7493	.7526	.7533	.7642
Low	**.6338**	.6179	.6230	.6398	.6462	.6309	.6945	.7212	.7009	.7097
Average Noon Rate	**.7135**	.6368	.6458	.6733	.6730	.6743	.7223	.7223	.7334	.7285
Year-End	**.7713**	.6339	.6278	.6672	.6929	.6534	.6997	.7301	.7325	.7321

Example: $1.00 Cdn. = U.S. $.7713. On February 12, 2004 the noon rate for Canadian dollars as reported by the Bank of Canada was Cdn. $1.00 = U.S. $.7581.

U.S./EURO EXCHANGE RATES[1]

	03	02	01	00	99	98	97	96	95	94
High	**1.2645**	1.0503	.9590	1.0410	1.1897	n/a	n/a	n/a	n/a	n/a
Low	**1.0334**	.8565	.8354	.8227	.9993	n/a	n/a	n/a	n/a	n/a
Average Noon Rate	**1.1328**	.9445	.8956	.9225	1.0665	n/a	n/a	n/a	n/a	n/a
Year-End	**1.2584**	1.0496	.8910	.9416	1.0058	n/a	n/a	n/a	n/a	n/a

Example: 1 euro = U.S. $1.2584. On February 12, 2004 the rate for euros as reported by Bloomberg L.P. was euro 1 = U.S. $1.2799.
1 Euro was introduced on January 1, 1999.